

**OFFICIAL PROCEEDINGS OF THE BOARD OF
TRUSTEES
CITY OF LANSING
EMPLOYEES RETIREMENT SYSTEM**

Regular Meeting
City Council Conference Room
10th Floor, City Hall
Lansing, MI

February 19, 2015
Thursday, 8:30 a.m.

The Board met in regular session and was called to order at 8:30 a.m.

Present: Dedic, Kraus, McCaffery, Munroe, D. Parker, M. Parker – 6
Absent: Trustee Bernero, McIntyre, Wood

Others: Karen E. Williams, Finance Department; Attorney Kenneth Lane, Clark Hill
(representing the City Attorney's Office).

It was moved by Trustee Howard McCaffery and supported by Trustee Dedic to approve the Official Minutes of the Employees' Retirement System Board Regular Meeting of January 22, 2015.

Adopted by the following vote: 6 - 0

There were no public comments.

Secretary's Report. 5 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total active membership: 302. Total deferred: 68. 4 death(s) Floyd Eaton,(Public Service/NonBargaining, retired 8/1/1988), died 11/22/2014, age 84,no surviving beneficiary; Ruth Hayes, died 1/10/2015, age 98, spouse of NonBargaining retiree; William M. Childs,(Public Service/UAW, retired 10/13/2002), died 1/29/2015, age 69, no surviving beneficiary; Robert W. Ryan (Human Resources/Teamster, retired 9/1/1992), died 2/13/2015, age 68, beneficiary to receive 50% . Refunds made since the last regular meeting amounted to \$0.00. Retirement allowances paid for the month of January 2015, amounted to \$1,881,975.38. Total retirement checks printed for the ERS System: 907. Eligible domestic relations orders received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

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It was moved by Trustee Dedic and supported by Trustee Mark Parker to approve the requests for Regular Age and Service retirements:

Michael Franks, (Finance/UAW), 19 years, 2 months of service credits, age 56, effective January 10, 2015. (NonDuty Death)

Ms. Williams explained the Employees Retirement System Ordinance regarding vested employees who die before retirement. The ERS Ordinance indicates that the vested employee will receive benefits as if the member had retired the day prior to death. The spouse of Mr. Franks is the named beneficiary and will receive Option A benefits.

Adopted by the following vote: 6-0

There were no requests for duty disability retirements.

Ms. Williams reported that the Medical Director contacted the Retirement Office and requested additional documents from Applicant #2014 – E0619. Ms. Williams contacted the applicant with the Medical Director's request.

Karen Williams reported that there were two requests for Refunds of Accumulated Contribution:

Lauren Vela, (District Court/Teamster), not vested, \$1,030.27
Sarah Wilson, (Police/911), not vested, \$3,613.45

It was moved by Trustee Kraus and supported by Trustee Dedic to approve the request for the Refund of Accumulated Contributions of Ms. Lauren Vela in the amount of \$1,030.27

Adopted by the following vote: 6-0

Karen Williams explained that Ms. Wilson's monies were not transferred to Ingham County. Ms. Wilson was re-hired by the Police Department before the transfer.

It was moved by Trustee Mark Parker and supported by Trustee Dedic to approve the request for the Refund of Accumulated Contribution of Ms. Sarah Wilson in the amount of \$3,613.45.

Trustee Kraus inquired regarding her eligibility.

Ms. Williams verified that Ms. Wilson terminated from the Employees Retirement System prior to the transfer of the 911 Dispatch to Ingham County.

Adopted by the following vote: 6 – 0.

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Karen Williams reported that Trustee Wood and Trustee McIntyre had contacted the Retirement Office to request an excused absence from the February Board meeting.

It was moved by Trustee Kraus and supported by Trustee Dedic to excuse Trustee Wood from the February Retirement Board meeting.

Adopted by the following vote: 6 – 0.

Trustee Kraus noted that Trustee McIntyre did not need to be excused because she is an ex-officio member.

Karen Williams updated the Trustees regarding the MAPERS One-Day Conference registration, March 13, 2015. Members who wished to attend should contact the Retirement Office.

Karen Williams announced the MAPERS Spring Conference that will be held in May 17-19, 2015. Members who wished to attend should contact the Retirement Office.

Attorney Ken Lane reported that the City Attorney's office continues to work on revising and updating the ERS Ordinance.

Attorney Ken Lane distributed to the Board the amended Annual Report Policy for review.

Attorney Lane updated the Employees Retirement System Board regarding a former member, Sherry Longoria, who transferred to Ingham County as a part of the 911 Dispatch Center agreement. At the time of Ms. Longoria's transfer to Ingham County, she had an Eligible Domestic Relation Order on file with the Retirement Office. Attorney Lane sent two letters to Ms. Longoria and Mr. Longoria regarding the EDRO with no response. The ERS Board directed Attorney Lane to send a certified letter with a copy to Municipal Employees Retirement System (MERS). Trustee Kraus requested through the chair that Attorney Lane notify MERS regarding a letter.

Attorney Ken Lane reported that a request for a confidential legal counsel memo written to the ERS Board was received by the Retirement Office from an employee. Attorney Lane recommended going into closed session to review the memo to determine if the Board wished to waive confidentiality.

It was moved by Trustee Kraus and supported by Trustee Munroe to go into closed session to review a confidential memo.

Adopted by the following roll call vote: 6 yes, 0 no
Roll Call: Dedic, Kraus, McCaffery, Munroe, D. Parker, M. Parker

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The Employees Retirement Board went into closed session at 8:43 a.m.

The Board resumed open session at 8:55 a.m.

It was moved by Trustee Dedic and supported by Trustee Mark Parker to provide a copy of the memo regarding employee service credits to Mr. Hassett.

Adopted by the following vote: 6 – 0

Trustee Dennis Parker approved the following subcommittee assignments for 2015:

Disability Committee: Dedic, Kraus, McIntyre

Investment Committee: D. Parker, Kraus, McCaffery, Wood

Education: Dedic, Munroe, D. Parker, M. Parker,

Ordinance Changes Committee (Special Projects) - Dedic, D. Parker, M. Parker, Wood

Joint Ad Hoc Committee on Health Care: Dedic, Munroe, D. Parker, Wood

Outside Legal Services Committee: Dedic, McIntyre, Munroe, Wood

Ms. Williams explained that the Employees Retirement System Board approves the trustees who are authorized signers for investment activities.

It was moved by Trustee Kraus and supported by Trustee Munroe to remove Trustee Scott Dedic as an authorized signer and add Trustee Dennis Parker and maintain Trustee Antonia Kraus as authorized signers for investment activities for the Employees Retirement System Board.

Adopted by the following vote: 6 – 0

Angela Bennett reviewed the GASB 67 supplemental report. The report details a change in GASB standards. Ms. Bennett explained how asset values are to be reported as June 30 of each year. Ms. Bennett explained how the GASB 67 was tied to the December 31 actuarial valuation. Ms. Bennett also discussed the assumed rate of return expectations for GASB. The report does not change the annual actuarial valuations.

Trustee Mark Parker updated the Employees' Retirement System Board regarding Tegrit Pension Software project. Karen Williams reported that the project has restarted with data migration. Tegrit has a new developer on the project. Karen Williams indicated that the Retirement Office will conclude its work with Tegrit on phases 3, 4 5 that include software for the retirement calculator, processes and workflow phases of the project.

Attorney Ken Lane distributed and reviewed the Employees' Retirement System Board amendments to the Report Policy that would include target dates to streamline the actuarial valuation process: June 30 information would be provided to the actuary, August 31, a draft would be provided to the Board, September 30, a final report would be provided to the Board.

Ms. Angela Bennett discussed a timeline for submission of actuarial data for the annual valuation. Ms. Bennett reported that she and Karen Williams met with Mr. Gregory Stump to discuss the types of information that are needed. Ms. Bennett indicated that there are two components of data that are submitted, the demographic information and the investment financial reporting. Ms. Bennett stated that investment information needs to be compiled before it can be submitted. Ms. Bennett talked with the accounting staff and the retirement office, and believed that the data could be provided by June. The Finance department continues to work to streamline that process.

Karen Williams reviewed the City of Lansing Employees Retirement System Quarterly Expense Report and the Monthly Security Lending for the month ending January 2015.

Trustee Kraus inquired about PBI fees.

Ms. Williams responded that she had not received an invoice from the company. Ms. Williams will contact PBI and inquire about their invoice.

Attorney Ken Lane inquired if the Employees Retirement System Board wished to approved the amendments to Annual Report Policy.

It was moved by Trustee Kraus and supported by Trustee Mark Parker to approve the amended Annual Report Policy.

Adopted by the following vote: 6-0.

It was moved by Trustee Kraus and supported by Trustee Mark Parker to adjourn the Employees Retirement System Board meeting.

The meeting adjourned at 9:22 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Employees Retirement System

Dennis R. Parker, Chairperson
Employees' Retirement System